

Cofece initiates investigation in the market for the distribution and commercialization of scopolamine in national territory

- *The Investigative Authority has indications of possible absolute monopolistic practices in the market for this active ingredient used in the manufacture of medicines.*
- *The health sector is a priority for Cofece because it is an area that represents a significant expense for the population, which has implications for the quality of life and welfare of Mexicans.*

Mexico City, May 2, 2023.- The Investigative Authority of the Federal Economic Competition Commission (Cofece or Commission) published today, on its website and in the Federal Official Gazette, the notice of initiation of an *ex officio* investigation for the possible realization of absolute monopolistic practices, in terms of Article 53 of the Federal Economic Competition Law (LFCE, per its initials in Spanish), in the market for the distribution and commercialization of scopolamine (Hyoscine, Butylbromide, Butylscopolamine Bromide, Scopolamine Butylbromide, Hyoscine Butylbromide, N-butylbromide Scopolamine, Hyoscine Butylbromide, and related) in the national territory.

Scopolamine is an active ingredient that serves as the basis for the creation of highly common medicines in the market. In low doses, it is used to treat motion sickness, nausea, and colitis, also as an antispasmodic and as a local analgesic, among many other transcendental uses in the health sector. This sector is a priority for Cofece due to the impact it has on people's welfare and quality of life; according to data from INEGI's 2020 National Survey of Household Income and Expenditures, in 2020 alone, 54% of households reported spending in items related to health care, which in the case of the purchase of prescription drugs reached 31%. Furthermore, this sector accounted for 2.5% of the GDP in 2022.

This investigation, identified under file number IO-006-2022, which is made public today, should not be understood as a prejudgment on the responsibility of any economic agent, since up to now no infringements to the regulations on economic competition have been identified, nor the subject or subjects who, if applicable, would be considered as probably responsible at the end of the investigation.

The timeframe for this inquiry is up to 120 business days, counted from October 26, 2022, the date on which the investigation began, which may be extended for an equal period up to four times. If at the end of the investigation no elements are found that presume the realization of absolute monopolistic practices, the Board of Commissioners could resolve the closure of the file. However, in case that elements are that presume an infringement of the LFCE, those who result probable responsible will be called to a trial-like procedure to present their defense.

In accordance with the LFCE, if the existence of an absolute monopolistic practice is proven, the responsible economic agents could be fined with up to 10% of their income. Also, those who have



collaborated, facilitated or induced the realization of these practices could be economically sanctioned. Natural persons that could have participated in the celebration, execution or ordering of this type of agreements between competitors, could be sanctioned with up to 10 years in prison, in accordance with what is established in Article 254 bis of the Federal Criminal Code.

It is important to mention that those who have participated or assisted in this type of conduct, have the possibility of adhering to the benefits of the Immunity and Reduction of Sanctions Program offered by Cofece.

[Read here the extract of the initiation agreement \(in Spanish\)](#)

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The Federal Economic Competition Commission safeguards competition and free market access.

Through its work, it seeks better conditions for consumers, that more services are supplied with higher quality and that there is a "level-playing-field" for companies.